



Date: May 3, 2016

To: Thomas J. Bonfield, City Manager
Through: W. Bowman Ferguson, Deputy City Manager
From: Donald F. Greeley, Director, Water Management
Subject: Utility Easement Maintenance Tree Removal (SR-62) - Amendment 1 to Contract with L-J, Inc.

Executive Summary

On October 19, 2015 City Council approved award of contract for tree-removal services to L-J, Inc., in the amount of \$437,860.00. The contracted services involve cutting and removing trees from within City-maintained easements throughout the City's water and sewer service areas. Currently, roughly \$319,000 (81%) has been disbursed to the contractor for the work, while several utility easements still require tree removal.

Additional funds are currently available in the Water & Sewer Maintenance (WSM) Division operating budget, and the Department of Water Management request approval to amend the contract with \$200,000 from the WSM budget.

Recommendation

The Department of Water Management recommends that the City Council:

1. Authorize the City Manager to execute a contract amendment with L-J, Inc., in an amount not to exceed \$200,000.00 for the Utility Easement Maintenance Tree Removal contract;

Background

The City of Durham is under contract with L-J, Inc. to provide tree removal services within City-maintained water and sewer utility easements. This work is performed on a unit price basis according to the diameter of the tree being cut and removed. Tree removal is required in order to provide access for staff and potential repair vehicles and equipment. Easement clearing is also a requirement of the City's Sanitary Sewer Collection System operating permit.

DWM staff originally estimated tree quantities based on previous contract amounts; however, while being more aggressive in directing the contractor, as well as encountering easements that haven't been cleared in over 50 years, approximately 81% of the original contract amount has been spent beginning in December 2015. At the same time, WSM continue to identify easements in need of tree-removal services as they conduct regular maintenance activities in various parts of the City service area.

DWM have determined an additional \$200,000.00 from operating funds can be added to the contract so that L-J, Inc., may continue the work. Therefore, DWM recommend Council approve an amendment to the contract in the amount of \$200,000.00.

Issues and Analysis

Since the contract was executed in October 2015, L-J, Inc., has been efficient and effective with the tree removal activities. DWM staff continues to identify new easement areas in need of tree removal as they conduct their regular maintenance activities. Adding funds to the existing contract now will allow the City to continue services of the Contractor without incurring additional mobilization costs. Any trees removed using the additional funds would be subject to the unit prices set in the original contract.

Alternatives

Alternative 1 – Do not amend the contract to provide additional funds for tree removal services. Under this alternative, several City maintained utility easements would be left with trees encroaching upon the easement. Neither Water Management Department staff nor General Services Department staffs have the resources or availability to provide tree removal services of the required magnitude and as a result, the required maintenance would not take place. This alternative would be a violation of the City's sewer collection system permit and would result in water and sewer mains being inaccessible to City staff.

Financial Impact

The immediate cost to the City for the contract amendment with L-J, Inc. is \$200,000.00. The funds are currently available in the Water and Sewer Maintenance Division Operating Budget, 5100P600-728600.

SDBE Summary

This is a contract amendment. There were no SDBE requirements for this project.